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TAGS: [AORC](#) [IAEA](#) [KNNP](#) [ENRG](#) [TRGY](#) [EAID](#) [SY](#)  
SUBJECT: IAEA/TACC WRAP-UP: SYRIA OVERSHADOWS NOVEMBER TACC

REF: A) UNVIE 626 B) STATE 124603 C) UNVIE 620

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SUMMARY  
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11. (SBU) Debate over the Syrian proposal for a nuclear power feasibility study was the main event at the November 24-26 IAEA Technical Assistance and Cooperation Committee (TACC) meeting. In the end, the U.S. and other likeminded agreed not to block consensus on the entire 2009-2011 Technical Cooperation (TC) program over objections to the proposed nuclear power "feasibility" project for Syria in exchange for closer Secretariat and Board scrutiny of this project. After three days of pointed debate, including a personal and highly inappropriate intervention by Director General ElBaradei in support of the Syrian project (accompanied by distribution by the Secretariat of a non-paper defending the project's technical aspects), the TACC recommended approval of the TC program in its entirety. Our negotiation of the Chair's summary secured commitments that the Secretariat would monitor the project closely, would procure equipment only in accordance with technical requirements, and that those states that raised concerns over the project "in the light of further developments, have the right to revisit, as required, the issue pursuant to the Statute." This outcome retains for us and others the option of reopening the TC issue based on reporting from the ongoing IAEA investigation into Syria's undeclared nuclear activities.

12. (SBU) While Syria dominated the discussion at the November TACC, with accusations of TC "politicization" heard from several Non-Aligned Movement (NAM) and G-77 states in this context, a number of other TC issues were also addressed. These included the recommendation from Australia that all recipients of TC have an approved Country Program Framework (CPF). (Note: Several states, including Syria, have only a draft CPF; some have no CPF.) Many NAM states quickly rejected the move to make CPFs obligatory as an illegal basis to restrict requests for technical support, since CPFs are not legally binding documents. Also discussed were the 2007 Office of Internal Oversight Services (OIOS) evaluations of the Agency's TC projects on sustainable intensification of crop production systems, the Agency's approach to interregional TC programs, and the Agency's use of Thematic Planning in designing and implementing TC. The thematic planning evaluation received the most attention, specifically OIOS's recommendation that the Agency take into account the Commission of Eminent Persons (CEP) Report when revising the TC Strategy. Several states cautioned that the Secretariat should draw guidance from the CEP only after consultation with the member states themselves. END SUMMARY.

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SYRIA TACKLES TACC  
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13. (SBU) In a highly polarized atmosphere, the November

24-26, 2008 TACC struggled for three days to come to consensus on the 2009-2011 TC program. U.S. and likeminded objections to including the Syrian project on "Conducting a Technical and Economic Feasibility Study and Site Selection for a Nuclear Power Plant" were the central front (ref C). From the first statement made at the TACC by Cuba on behalf of the NAM it was apparent that consensus on the Syrian project would be difficult to achieve. The NAM and G-77 states quickly circled the wagons in defense of the project in preparation for a fight over "politicization" of TC. These states charged such "politicization" would be in contradiction of INFCIRC 267 and Article 3.C of the IAEA Statute, which preclude the restriction of technical cooperation based on political, military or economic concerns inconsistent with the Statute.

¶4. (SBU) As noted in ref C, among those making statements in defense of the project were Brazil (for the G-77), Cuba (for NAM), Venezuela (GRULAC), Zimbabwe (Africa Group), Malaysia, China, Egypt, Algeria, Saudi Arabia, Libya, Iran and Syria. Many statements were highly charged and accused those voicing concerns about the project of undermining the fundamental bargain of the NPT. Several states emphasized the "inalienable right" of developing countries to engage in peaceful civil nuclear activities without discrimination, and underscored their belief that it was essential for the credibility of the Agency that TC not be subject to any political, economic, or military conditions. Egypt escalated the rhetoric further by calling into question Israel's receipt of TC which could potentially contribute to military activities.

¶5. (SBU) Spain dashed any hopes for EU unity in opposition to the project by calling for adoption of the TC program by consensus and without changes. Spain's remarks contradicted the EU statement delivered earlier in the day by France, in its capacity as EU President, which did not mention Syria by name but expressed specific concerns about the project and its design, invited the Secretariat to review its procedures for vetting TC project proposals from "states under investigation," and noted that the EU would have preferred a deferral of the project in question. Australia, Canada, New Zealand, South Korea, U.K., and the U.S. all made strong statements voicing concern over the project. (Comment: The lack of a common EU position handicapped efforts to have the project pulled from the TC program, though France later participated as an "observer" in likeminded demarches to the Board Chair to broker the agreement that led to adoption of the program. Japan was conspicuously silent on the matter, which may be related to Ambassador Amano's candidacy for the Director General position. End comment.)

¶6. (SBU) DG ElBaradei's strong personal intervention, immediately following the U.S. statement and after Canada had earlier stated that it too could not join consensus on the full TC program, gave Syria and its NAM supporters a confidence and swagger for the remainder of the TACC. ElBaradei stated he was "concerned about the concerns expressed" as they appeared to convey lack of confidence in the Secretariat's work. Moreover, he proceeded to outline the Statutory requirements for the Secretariat to suspend TC to a member state, which were not met by the current situation (ref C). ElBaradei dismissed the allegations of undeclared nuclear activity in Syria as an insufficient basis to restrict TC, his recent report notwithstanding, and pointedly noted that one must be deliberate and complete in assessing allegations of covert nuclear activities, recalling that, in the case of Iraq, "claims" were shown to be "bonkers" after a disastrous war. ElBaradei emphasized the legal standard of "innocent before proven guilty" and observed that sanctions must be applied with respect to due process.

¶7. (SBU) Likeminded states made very clear their objections and significant concerns with the project both in public and private, but in the end, especially given the DG's posture, there was no hope for gaining agreement to drop the project and similarly dim prospects for winning any vote on the

matter. A group of four likeminded states (U.S., U.K., Canada, and Australia) negotiated a compromise with the Board Chair and DG, whereby the Syrian project would be the subject of close ongoing scrutiny. Last-minute negotiations by the Board Chair with the NAM/G-77 (including Syria itself) on the agreed text almost derailed agreement, which was saved only by a final intervention by Australia in the Board meeting. After consultation with the U.S. and like-minded, Australia proposed to add the phrase "in light of developments" to the final sentence of the agreed text (see para 9) ahead of "pursuant to the Statute." (Comment: The implication is that the project may be reviewed in light of developments in the safeguards investigation. End comment). Board Chair Feroukhi reluctantly agreed to the addition following several side-bars with the NAM.

18. (SBU) In the TACC discussions, as well as during a technical experts discussion with Secretariat officials arranged by the Chair, and in the official report of the TACC to the Board of Governors, likeminded states shed considerable light on the project's shortcomings and achieved a measure of additional scrutiny over implementation of this project. We extracted assurances that equipment procurement for the project would occur only in line with technical needs (i.e., not soon). Likeminded states also succeeded in making clear that the Secretariat and recipient states cannot expect the TACC to "rubber stamp" objectionable projects in the future. Finally, likeminded states opened a window for re-examining the project pending developments in the ongoing safeguards investigation. In return, the likeminded reluctantly agreed with the NAM to reference the Statute in the final TACC report, which the NAM interpret, in line with the DG's intervention, as a prohibition against turning down any TC project absent a formal Board finding of non-compliance pursuant to Article 12c of the Statute, followed by an opportunity by the state to remedy that noncompliance.

19. (SBU) The official report of the TACC to the Board of Governors may be found on the IAEA GovAtom website in IAEA document GOV/2008/61, entitled "Report of the Technical Assistance and Cooperation Committee on its meetings held from 24 to 26 November 2008." After relaying the concerns of member states with the TC project, paragraph 16 of the report contains the compromise language:

-- "A number of states expressed strong reservations about Project SYR/0/020 pointing out that it came at a time when Syria had not yet provided all the cooperation required by the Agency regarding the ongoing inquiry into allegations that a nuclear reactor was under construction without the required reporting to the Agency and possible other related activities. Those states considered that in such circumstances it would be prudent to take a cautious approach towards the provision of Technical Cooperation for any nuclear power-related projects in this context. The Secretariat stated that, in the discharge of its functions, it would monitor the project closely, report as appropriate, and ensure that any equipment provided is used only for the purposes intended. The Secretariat further advised that site selection and evaluation was a process with a number of phases, and accordingly the procurement of equipment envisaged in the project will occur appropriately in accordance with technical requirements. With this understanding, and in the spirit of compromise, those states agreed to the action recommended in document GOV/2008/47/Rev.1, based on their understanding that, similar to all Member States, in the light of further developments, they have the right to revisit, as required, the issue pursuant to the Statute."

10. (SBU) The TACC report was adopted by consensus in the Board of Governors meeting November 27 with minimal debate, and virtually no further references to the Syria project issue. (One condition of the consensus outcome was that all sides agreed not re-visit the issue in the Board discussion; see septel.)

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¶11. (SBU) Moving on to other business but still very much in the shadow of the ongoing Syria debate, the TACC took up the OIOS report on the 2007 Evaluations of Technical Cooperation Activities. The report covers evaluations of the Agency's TC projects on sustainable intensification of crop production systems, the Agency's approach to interregional TC programs, the Agency's use of Thematic Planning in designing and implementing TC, and the Agency's use of Country Program Frameworks to facilitate program management and screening of projects. The thematic planning evaluation received the most attention, specifically OIOS's recommendation that the Agency take into account the Commission of Eminent Persons Report when revising the TC Strategy. Several Board members cautioned the latter should only be done after consultation with the member states.

¶12. (SBU) The Agency's use of the Country Program Framework (CPF) model to manage TC projects and coordinate with member states on their respective TC needs was by far the second most widely discussed topic at the Board following the Syria project. The CPF discussion was however still very much wrapped up in the context of the Syria debate, as the likeminded pointed out that Syria does not have an approved CPF, and the current draft, per information issued by the Secretariat, does not include nuclear power as a priority area for development. (NOTE: CPFs are not publicly available documents and may only be released to other member states with the consent of the originating party. Therefore, member states are only able to glean information noted in the country overviews supplied by the Secretariat prior to the TACC. END NOTE.) The NAM, G-77 plus China, and the Africa group all expressed the views that: CPFs are not legally binding documents, the use of CPFs should not result in the restriction of TC to any state and CPFs should be undertaken with the necessary flexibility to allow the Secretariat to take into account specific situations in various member states. They further argued that CPFs should allow the Agency to respond to the needs and priorities identified by member states themselves.

¶13. (SBU) The EU proposed that access to CPFs should be made available to all member states so that donor countries can more easily see the needs and priorities of recipient states, similar to the practice in the UN Development Fund. Australia further urged that all recipients of TC should have an approved Country Program Framework, a principle which many NAM states quickly rejected as an illegal basis to restrict requests for technical support.

¶14. (SBU) On other issues, the Secretariat's evaluation of the Agency's TC projects on sustainable intensification of crop production systems was welcomed and widely supported by the African and Latin American countries as well as by Spain, while Canada expressed concern that the evaluation lacked any financial assessment. Australia and Canada noted that the Agency's use of thematic planning had fallen into disrepair, and urged the Secretariat to address its weaknesses through the articulation of clearer priorities, while others noted that thematic planning was carried out with limited involvement of member states, a circumstance which hampered its effectiveness.

¶15. (SBU) Both France, on behalf of the EU, and Germany in its national capacity urged greater coordination of Agency activities with the broader United Nations interagency, in the context of the "One UN" campaign, noting with disappointment the lack of coordination between the IAEA and other UN development organizations in the areas of health, agriculture, and water resource management. Finally, Spain noted problems with coordination of interregional projects, while Argentina, China, and Mexico joined in urging the Secretariat to address the limitations of interregional planning in coordination with member states involved in the formulation process of the projects.

¶16. (SBU) COMMENT: Looking forward, Mission will work closely with the Secretariat to scrutinize progress on implementation of the Syrian TC project and ensure the IAEA's own monitoring is rigorous. Addressing the larger issues surrounding the appropriateness and consistency of TC project planning and design, Mission will submit septel an analysis, based on current practice and past OIOS evaluations, of how we can best posture ourselves and engage the Secretariat to help avoid a repeat of the ill-conceived Syrian project and, more generally, how the TC program can be improved. Our concerns and those of like-minded states, some of whom support TC as a nonproliferation program while others' contributions are funded as development assistance, present a broad agenda for reform for this most hidebound of IAEA program areas. END COMMENT.

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